

# Senate File 2235 - Introduced

SENATE FILE 2235  
BY COMMITTEE ON STATE  
GOVERNMENT

(SUCCESSOR TO SF 2125)

## A BILL FOR

1 An Act requiring provision of deliverable fuels to customers  
2 under specified circumstances, and including effective date  
3 provisions.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1     Section 1.   NEW SECTION.   216A.105   Deliverable fuels —  
2   mandatory delivery — qualifications.

3     1.   A deliverable fuel vendor engaged in the business of  
4   providing deliverable fuel to customers in this state shall  
5   not withhold the sale or delivery of deliverable fuel to a  
6   customer between November 1 and April 1 annually if either of  
7   the following apply:

8     a.   The customer documents that they are able to make a cash  
9   payment for deliverable fuel of five hundred dollars.

10    b.   The customer is eligible for the federal low-income home  
11   energy assistance program.

12    2.   A deliverable fuel vendor providing deliverable fuel to a  
13   customer described in subsection 1, paragraph "a", may apply the  
14   customer's cash payment as follows:

15    a.   Seventy-five percent toward the current deliverable fuel  
16   sale or delivery.

17    b.   Twenty-five percent toward any unpaid balance.

18    3.   A customer shall be responsible for the reasonable  
19   cost of equipment safety checks conducted by a deliverable  
20   fuel vendor, unless the customer is eligible for the federal  
21   low-income home energy assistance program and the cost is paid  
22   for with program funds. Equipment safety check payments shall  
23   be in addition to, and shall not reduce, the cash payment  
24   otherwise available for deliverable fuel sale or delivery  
25   pursuant to subsection 1, paragraph "a". A deliverable fuel  
26   vendor conducting an equipment safety check shall inform  
27   customers eligible for the low-income home energy assistance  
28   program of the existence of programs and projects developed  
29   by the Iowa propane education and research council to provide  
30   assistance to persons eligible for the program, if applicable  
31   based upon the results of the safety check.

32    4.   An existing customer of a deliverable fuel vendor  
33   with an unpaid balance owing to that vendor shall not obtain  
34   deliverable fuel from another vendor pursuant to this section  
35   unless and until a payment arrangement for paying off the

1 unpaid balance has been entered into between the customer and  
 2 the deliverable fuel vendor. In the event the customer is  
 3 eligible for the federal low-income home energy assistance  
 4 program, the division shall offer assistance in facilitating  
 5 the payment arrangement. The division shall by rule establish  
 6 procedures regarding notification by deliverable fuel vendors  
 7 of payment arrangements in default.

8 5. A deliverable fuel vendor is not prohibited from  
 9 withholding the sale or delivery of deliverable fuel to a  
 10 customer who is eligible for the federal low-income home  
 11 energy assistance program and has received the maximum amount  
 12 of annual assistance pursuant to the program, and who cannot  
 13 otherwise document the ability to make a cash payment for  
 14 deliverable fuel pursuant to subsection 1, paragraph "a".

15 6. The division shall adopt rules governing contracts and  
 16 agreements with deliverable fuel vendors pursuant to this  
 17 section in order to protect the rights of persons who heat  
 18 their homes with deliverable fuels.

19 7. For the purposes of this section, unless the context  
 20 otherwise requires:

21 a. "*Customer*" means an existing customer of a deliverable  
 22 fuel vendor or a prospective customer submitting an application  
 23 or otherwise applying for the purchase or delivery of  
 24 deliverable fuel.

25 b. "*Deliverable fuel*" means propane or any other heating  
 26 fuel sold or delivered in this state for home heating purposes.

27 c. "*Deliverable fuel vendor*" means a retail propane  
 28 dispenser, retail propane marketer, or a retail dispenser or  
 29 marketer of a deliverable fuel other than propane.

30 d. "*Propane*", "*retail propane dispenser*", and "*retail propane*  
 31 *marketer*" mean the same as defined in section 101C.2.

32 Sec. 2. EFFECTIVE UPON ENACTMENT. This Act, being deemed of  
 33 immediate importance, takes effect upon enactment.

34 EXPLANATION

35 This bill prohibits a deliverable fuel vendor from

1 withholding the sale or delivery of deliverable fuel to an  
2 existing or prospective customer between November 1 and April 1  
3 annually if the customer meets one of two alternative criteria.

4 One criteria qualifies customers for delivery if they are  
5 eligible for the federal low-income home energy assistance  
6 program (LIHEAP).

7 The second criteria qualifies customers who can document  
8 that they are able to make a cash payment for deliverable fuel  
9 of \$500. The bill provides that in the event an unpaid balance  
10 by the customer exists, 75 percent of this cash payment may be  
11 allocated by the deliverable fuel vendor toward the current  
12 deliverable fuel sale or delivery, and that 25 percent may be  
13 allocated toward the unpaid balance.

14 The bill provides that a customer shall be responsible for  
15 the cost of equipment safety checks performed by a vendor,  
16 either directly or through LIHEAP, and that if the customer  
17 is not a LIHEAP recipient, the cost shall not reduce the \$500  
18 cash payment otherwise required for the purchase of deliverable  
19 fuel. The bill requires vendors conducting equipment safety  
20 checks to inform LIHEAP customers of assistance available  
21 through programs and projects developed by the Iowa propane  
22 education and research council, if indicated based on the  
23 results of the safety check.

24 The bill requires a customer with an outstanding balance  
25 owing to a vendor to work out a payment arrangement with that  
26 vendor prior to obtaining deliverable fuel from another vendor,  
27 and requires the division of community action agencies of the  
28 department of human rights to assist LIHEAP customers in making  
29 these arrangements.

30 The bill states that a vendor is not prohibited from  
31 withholding a sale or delivery to a LIHEAP customer who has  
32 received their maximum amount of annual assistance under the  
33 program and who cannot document the ability to make the \$500  
34 cash payment.

35 The bill directs the division to adopt rules governing

1 contracts and agreements with deliverable fuel vendors in order  
2 to protect the rights of persons who heat their homes with  
3 deliverable fuels. Definitions of "customer", "deliverable  
4 fuel", "deliverable fuel vendor", and "propane" are supplied.  
5 The bill takes effect upon enactment.